

Security

MEMORANDUM FOR: Deputy Director (Administrative) ~~CONFIDENTIAL~~

SUBJECT: National Security Council Report on

A UNIFORM CLEARANCE PROGRAM FOR INDIVIDUALS OTHER THAN  
FULL-TIME FEDERAL EMPLOYEES WHO REQUIRE ACCESS TO U.S.  
CLASSIFIED INFORMATION

1. The subject report has been reviewed in the Security Office.
2. While the report was concerned primarily with the security clearance problems involving part-time government employees and employees of government contractors, the committee reviewing and reporting on this problem did review the security clearance programs for full-time government employees.
3. The Security Office feels that the committee thoroughly explored the problem assigned to it, and has no adverse or critical comment to make on the committee's report of its findings or its conclusions.
4. From the point of view of day-to-day security operations, the committee, by failing to indicate otherwise, has indicated that the security procedures and standards of this Agency are adequate.
5. The committee, however, has made some recommendations which would, if accepted, require some changes in the security procedures of the Agency, to which changes the Security Office must object. The first of these is the recommendation that there be strict compliance with the provisions of Executive Order 10450, which requires that the Civil Service Commission be advised of the initiating and completing of security investigations of Federal government applicants and employees. As you know this Agency has informed the Civil Service Commission that we cannot comply with this requirement. This recommendation by the committee is identified as No. 4 and will be found on page 20 of the committee's report.
6. The other recommendation to which the Security Office objects, in its present form, is on page 19 and is identified as No. 3. This recommendation, if adopted, would require that the Central Intelligence Agency discuss with another government department or agency our security evaluation of any case where our evaluation would conflict with theirs. The Security Office feels that the intent of this recommendation is basically sound, and that the recommendation would eliminate some of the criticism directed at government departments, agencies, and their

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security people by eliminating the differences of opinion and security judgment which must be and are confusing to private organizations and persons concerned. The Security Office feels, however, that the adoption of this recommendation, as written, would not give sufficient allowance for the different situations and different needs of this Agency. We feel that an adverse decision by this Agency based upon our own special requirements could have an adverse effect on the person's record in another government agency. We also feel that the Agency should not have to explain to another government department our reasons for hiring, for using individuals whom they have rejected on the basis of their own special needs or requirements.

7. Recommendation No. 5 on page 20 would require that the Central Intelligence Agency establish formal procedures for hearings and adjudication where contractor employees' access to classified information has been denied, suspended or revoked. The Security Office is in favor generally of any method by which an individual's findings of the case can be heard, and which would insure that the rights of the individual receive adequate consideration. We cannot, however, accept unqualifiedly this recommendation. We could be faced with the problem of convening boards and conducting hearings on the cases of persons who, while they will require access to classified information during the course of their employment by a private concern, would not require, and would not be furnished the information that the Central Intelligence Agency is involved in the contract work. It is felt, however, that we could and should accept this recommendation insofar as it would permit the employing concern to appeal a security decision on one of its employees.

8. Recommendation No. 1 of the committee applies only to the Department of Defense. Recommendation No. 2 merely requires that the Agency head review the extent to which authority over day-to-day security decisions has been delegated.

9. We see nothing in this report which would affect in any way adversely existing policies and procedures with respect to cases of individuals to be hired or to be used covertly.

Sheffield Edwards  
Director of Security